

## **ALLHOME CORPORATION AUDIT COMMITTEE CHARTER**

This Audit Committee Charter (the “Charter”) sets out the purpose, structure, policies, responsibilities, and authority of the Audit Committee (the “Committee”) of AllHome Corporation (the “Corporation”), including the procedures that shall be followed by the Committee in the performance of its functions.

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### **1. PURPOSE**

Pursuant to the Corporation’s By-laws, the Board of Directors (the “Board”) constituted the Committee to assist the Board in fulfilling its oversight responsibility of the Corporation’s corporate governance processes relating to the following:

- Quality and integrity of the Corporation’s financial statements and financial reporting process;
- Effectiveness of the Corporation’s internal control systems;
- Independence, qualifications and performance of the independent auditors and the integrity of the audit process as a whole;
- Performance and leadership of the internal audit function;
- Compliance by the Corporation with accounting standards, legal and regulatory requirements;
- Evaluation of management’s process to assess and manage the Corporation’s enterprise risk issues; and
- Fulfillment of the other responsibilities set out herein.

## **2. MEMBERSHIP AND QUALIFICATIONS**

- 2.1 The Committee shall be composed of at least three (3) members of the Board, who shall preferably have accounting and finance backgrounds, one of whom shall be an independent director and another with audit experience.
- 2.2 The Chairman of the Audit Committee shall be an independent director.

## **3. DUTIES AND RESPONSIBILITIES**

### **3.1 Financial Statements and Disclosure Matters**

3.1.1 Review the interim and annual financial statements before their submission to the Board, with particular focus on the following matters:

- Any change/s in the accounting policies and practices
- Major judgmental areas
- Significant adjustments resulting from the audit
- Going concern assumptions
- Compliance with accounting standards
- Compliance with tax, legal and regulatory requirements

3.1.2 Review with management and the external auditors the results of the audit, including any difficulties encountered, any material errors and/or fraud identified, unusual or complex transactions and other issues needing the attention of the Committee, and resolve any disagreements, if any, between management and the external auditors regarding financial reporting.

3.1.3 Review with management, internal auditors and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards.

### **3.2 Internal Audit Function**

3.2.1 Review with management and the Corporation's Internal Audit Head the organizational structure of the Internal Audit function, the qualifications of an internal auditor, the Internal Audit Charter, and the internal audit activities. The Internal Audit Charter shall be periodically reviewed to ensure alignment with the International Standards for the Professional Practice of Internal Auditing ("ISPPA").

- 3.2.2 Review and approve the annual audit and strategic work plans prepared by the Corporation's Internal Audit Group in consultation with management, and major changes to the plans, if any. Such plan shall include the audit scope, resources and budget necessary to implement it. The scope of the internal audit examination shall cover the evaluation of adequacy and effectiveness of controls on governance, operations, information systems, protection of assets and compliance with contracts, laws, rules and regulations.
- 3.2.3 Review significant findings and recommendations of the Internal Audit Group and management's responses thereto; including the timetable for implementation to correct weaknesses; and any difficulties encountered by the auditors in the course of their audit (such as restrictions on the scope or access to information).
- 3.2.4 Require the Internal Audit Group to submit to the Audit Committee and Management an annual report of its activities, responsibilities and performance relative to the audit plans and strategies as approved by the Audit Committee. The annual report should include significant risk exposures, control issues and such other matters as may be needed or requested by the Board and Management.
- 3.2.5 Review the effectiveness of the internal audit function, including compliance with the ISPPA.

### 3.3 External Audit

- 3.3.1 Responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of such auditor.
- 3.3.2 Assess and monitor the (a) external auditor's professional qualifications, competence, independence and objectivity and require the external auditor to make the statements necessary under applicable auditing standards with regards to its relationship and services to the Company, discussing any relationship or services that may derogate its independence or objectivity, and (b) the effectiveness of the audit process in accordance with applicable standards.

- 3.3.3 Obtain objective assurance from the external auditor that the conduct of the audit and the manner of the preparation of the financial statements comply with applicable auditing standards and rules of regulatory bodies.
- 3.3.4 Review and approve the nature and scope of the audit plans of the external auditor, including scope, audit resources and expenses, and reporting obligations before the start of the audit.
- 3.3.5 Review the reports or communications of the external auditors and ensure that management or the Board will provide a timely response to the issues raised in such reports or communications.
- 3.3.6 Review and approve the proportion of audit versus non-audit work both in relation to their significance to the independent auditors, to ensure that non-audit work will not be in conflict with the audit functions of the independent auditor.
- 3.3.7 Ensure that a rotation process is observed in the engagement of the independent auditors or the signing partner of the auditing firm every five (5) years.

#### 3.4 Internal Controls and Risk Management

- 3.4.1 Obtain, review and consider reports, communications and analysis submitted to the Committee by management and the internal and external auditors of the Corporation, on financial and internal controls and systems of the Corporation, and those required by the applicable auditing or accounting standards.
- 3.4.2 Monitor and evaluate the effectiveness of the Corporation's internal control system, including information technology security, and risk management processes and policies.
- 3.4.3 Ensure that management undertakes corrective actions in a timely manner on any communication or report by regulatory agencies relating to the financial statements of the Corporation.
- 3.4.4 Ensure the development of a transparent financial management system that will confirm the integrity of internal control activities throughout the Corporation, including a framework for fraud prevention and detection.

**4. MEETINGS AND REPORTING PROCEDURES**

- 4.1 Agree on an annual schedule of activities that shall determine the agenda for each meeting subject to revisions as needed. The Committee shall meet at least semi -annually; which shall be held preferably prior to the Board meeting. The Chief Financial Officer may be requested to attend Committee meetings.
- 4.2 The Committee shall meet with the internal and independent auditors in executive session at least once a year.
- 4.3 The Committee shall report to the Board on the decisions and recommendations made by the Committee following each meeting.
- 4.4 The Committee shall assess its effectiveness periodically. Such assessment shall compare its performance with the requirements of this Charter, which shall be the basis of its objectives to improve its performance. The results of the assessment shall be validated by the Corporation's Compliance Officer.
- 4.5 The evaluation system, including the features thereof, shall be disclosed in the company's annual report (SEC Form 17-A) or in such form of report that is applicable to the Corporation. The adoption of such performance evaluation system must be covered by a Board approval.
- 4.6 The Charter shall be reviewed annually, updated as required and any revisions thereof shall take effect only upon approval of the Board.